

INTERNATIONAL BUSINESS NEWS – AUGUST 2005

U.S. Department of Commerce

International Trade Administration – U.S. Export Assistance Center

425 West Capitol Avenue, Suite 700, Little Rock AR. 72201

Phone: 501-324-5794 Fax: 501-324-7380

little.rock.office.box@mail.doc.gov - <http://www.buyusa.gov/arkansas>

Lon Hardin, Director; Dennis Millard, International Trade Specialist

Ray Riggs, International Trade Specialist; Mary Hayward, Export Assistance Specialist



KEY PROGRAMS OF THE U.S. COMMERCIAL SERVICE HELP U.S. COMPANIES ESTABLISH AN INTERNATIONAL DISTRIBUTION NETWORK

Gold Key Service - Cost: \$700-\$800 per country/region per day - Before you head overseas, we will set up appointments for you to meet with interested potential business partners. The cost above is for the first day. The price for each subsequent day is approximately \$400. Just be sure to give us 4-6 weeks notice.

International Partner Search - Cost: \$500-\$800 per country/region - We will find the distributors/strategic partners who are interested in YOUR product or service, and provide you with contact information and a description of their activities in the market.

International Market Research Reports - Cost: Free or variable cost - Give us a call to see what new free reports our overseas commercial officers have sent to us. For a fee we can provide market research answering your specific questions.

Trade Shows/Catalog Shows - Various Locations/Costs. We can assist you with identifying international trade shows in your industry sector. For many of these shows, the Commercial Service organizes a U.S. Pavilion or staffs a catalog booth for a reduced price.

For more details contact us at little.rock.office.box@mail.doc.gov or phone 501-324-5794, Fax 7380.

WELCOME TO THE CAFTA-DR GATEWAY!

Now that the U.S. Congress has passed the Central America-Dominican Republic Free Trade Agreement, companies interested in initiating or expanding sales to these countries should bookmark the USDOC's website on CAFTA-DR. This site brings together information and resources the U.S. Department of Commerce and other U.S. Government Agencies offer to U.S. businesses interested in new opportunities that will be offered by the markets of Central America (Costa Rica, El Salvador, Honduras, Guatemala and Nicaragua) and the Dominican Republic. Go to: <http://ita.doc.gov/cafta/index.asp>

DO'S AND DON'T'S OF THE NAFTA CERTIFICATE OF ORIGIN

On July 29 the U.S. Commercial Service office released a new report on "The Do's and Don'ts of the NAFTA Certificate of Origin. This report provides a brief summary and helpful hints on dos and don'ts for determining a product's eligibility for the NAFTA

Certificate of Origin, and for filling out the Certificate. While many elements of this report may be applicable to other NAFTA transactions, this report focuses specifically on the export of U.S. goods to Mexico. For a copy of this 10-page report contact us at 501-324-5794, fax 7380, little.rock.office.box@mail.doc.gov

U.S., CANADA AND MEXICO DELIVER INITIAL SECURITY AND PROSPERITY REPORT

On June 27, U.S. Commerce Secretary Carlos Gutierrez, Department of Homeland Security Secretary Michael Chertoff, and their government counterparts from Mexico and Canada released the first report of the Security and Prosperity Partnership of North America (SPP) that identifies initial results, initiatives, and work plans that further promote the security and prosperity of North America. To read the report, please visit: <http://www.fac-aec.gc.ca/spp/SPP-report.PDF>

WOOD USED FOR BLOCKING, BRACING, & PALLETS IMPACT ON INTERNATIONAL SHIPMENTS Bulletin: 2005-069 Effective Date: September 16, 2005

Effective September 16, 2005, North American governments will be implementing new requirements for ALL wood used in blocking and bracing (including pallets) in an effort to protect worldwide forests from pest infestation. Governments will require all wood going to or from the United States, Mexico, and Canada to be kiln dried or heat-treated to minimum specifications, otherwise shipments will be stopped at the border. Union Pacific encourages customers to plan ahead for this policy change to avoid border congestion and the potential for additional expenses.

You'll find the news release on this at: http://www.aphis.usda.gov/newsroom/content/2005/09/wdpacmat_ppq.shtml

COMMERCIAL NEWS USA SEP. 9 DEADLINE

For more information on advertising in the November-December 2005 edition of Commercial News USA. Go to <http://www.export.gov/cnusa/>

A Spanish Language edition is being planned for the November-December issue of CNUA. For details go to http://www.thinkglobal.us/Spanish_flyer.pdf

DETAILS OF ADVANCE FEE FRAUD SCAMS

Advance fee fraud is introduced in several ways. The connection between the various types of Advance Fee fraud is the demand for advance fees or payments before the promised transaction. The fee requested usually comes in the form of:

- Legal Fee
- ECOWAS Fee
- Drug Clearance Fee
- Value Added Tax (VAT)
- Audit Fee
- National Economic Recovery Fund
- Terrorist Certificate
- Transfer Fee
- Processing Fee
- Licensing Fee
- Registration Fee
- Communications Fees
- Storage Fee
- Release Fee
- Legal Fee
- Transaction Fee
- Insurance Fees
- Bribe; Gift To Government Officials, Demurrage, Etc.

In all of the fraud types listed below, the intended victim is eventually asked to pay a fee before a business transaction or transfer of money.

Credit Card & Counterfeit Checks

Often con men will attempt to obtain the confidence of the victim by ordering goods from Europe, Asia and America and paying with genuine checks. Naturally, the seller receives an order and is cautious enough to wait for the check to clear before shipping the goods. The checks, usually not more than U.S \$10,000 clears successfully from the bank. The company then believes that these new customers are trustworthy persons doing genuine business in Nigeria. Shortly afterwards, the scammers send another request for shipment of goods worth U.S. \$100,000, and pays in check or credit card. The company, having done business with the buyer in the past without a hitch, sends the goods immediately to encourage the existing business relationship. After the goods are sent, it is discovered this payment was made with counterfeit checks or stolen credit cards. Scammers often contact people advertising items for sale on the Internet. The scam artists agree to purchase the item and then send a check for much more than the agreed price. The seller deposits the check and asks their bank to let them know when it has cleared. The bank informs the seller the check has cleared his bank so the seller forwards the overage cash via Western Union. Then the seller's bank contacts him again telling him that the bank the check was written on has contacted them and told them the check is counterfeit. If you have shipped items, you are out of your goods and money.

Contract Scam

Someone alleged to be the head of a government agency (i.e. Central bank of Nigeria, Nigerian National Petroleum Corporation, etc.) that has over-invoiced contracts and needs assistance from a foreign partner to move the money out of Nigeria.

Will Scam

1. Deceased religious leader or philanthropist who has bequeathed his/her wealth to a Church or individual.
2. Bank accounts abandoned by wealthy foreign businessmen who died in accidental circumstances. The need for someone to pose as the relative of the deceased and claim the money.
3. Families (widows, sons, brothers) of former West African Presidents, politicians and Military Generals looking for help to transfer money bequeathed to them.

Security Deposit Scam

Stolen assets (cash, gold, diamonds) deposited in a security company that needs to be transferred out of the country immediately.

Donation Scam

Donations offered to charitable or religious organizations. The beneficiary will need the service of the donor's attorney to claim his/her money.

Black Money Scam

Known in Nigeria as "wash wash." The victim is usually enticed with a business proposal or other type of temptation before the introduction of the black money business. Once the scam artist successfully persuades the victim, he is then shown a bag or suitcase full of black paper, cut to USD size and arranged in bundles. Each bundle has a genuine one hundred-dollar bill at each end that are temporarily masked or defaced with a black waxy material or iodine. The victim is made to believe that the entire bag contains bundles of genuine one hundred-dollar bills that are temporarily masked and need to be cleansed. The scam artist asks for money to purchase an expensive chemical-cleaning agent to restore the money.

The Nigerian Hot Jobs Scam

This is a new type of Advance Fee fraud, where a vacancy advertisement is sent on the Internet via email or posted on a fake website. The scam artists also pull resumes from websites where job hunters post their resumes. The offer is for a lucrative job, usually in the Nigerian oil industry. The job offer promises between \$15,000 to \$65,000 per month and extensive vacation time. Also, the employee will be provided with living accommodations and a car. If the victim were to apply for this lucrative job, he/she is lured to pay some fees and taxation. After fees have been paid, the victim will soon realize that hot jobs are not available in Nigeria.

What You Should Do

If your staff or client receives what appears to be an attempt at Advance Fee Fraud, they should not give out any personal information or money. See the advisory information at: www.treas.gov/usss/alert419.shtml If your client believes they may be a victim of Advance Fee Fraud and may have lost money, please contact the United States Secret Service Field Office closest to you. Field Office contact information is listed in your local phone book's blue or government pages. For a complete listing of field offices worldwide go to: www.secretservice.gov

EU PRODUCT WARRANTY DIRECTIVE

With the goal of strengthening the European Union's internal market, the European Commission approved legislation on May 25, 1999 that harmonizes the guarantees on consumer goods. Directive 1999/44/EC, hereafter referred to as the Product Warranty Directive, aims to protect consumers who make purchases outside of their Member State. The Directive sets up minimum standards for product warranties and mandates a warranty period of at least 2 years. Sellers whose products are found not to conform to the "contract" between the buyer and seller at the time the goods were delivered are required to replace or repair the nonconforming goods free of charge; reduce the price of the goods; or release the consumer from the "contract." The legislation was to be transposed into National Law by all EU Member States and enter into effect January 1, 2002. This updated report discusses the implications of this legislation for producers and consumers across the 25 Member States. http://buyusainfo.net/docs/x_9989036.pdf.

AGRIBUSINESS INTERNATIONAL TRADE OPPORTUNITIES DELIVERED DIRECTLY TO YOU!

In an effort to assist U.S. firms in the agribusiness industry to increase their export sales, the Agribusiness Team (consisting of the US Commercial Service, Foreign Agricultural Service, State Regional Trade Groups, and various State Departments of Agriculture) has created the on-line "Agribusiness e-Market Express." Agribusiness includes the following industries:

- Agricultural machinery & chemicals
- Food processing & packaging equipment (including hotel & restaurant equipment and refrigeration equipment)
- Processed foods & food ingredients
- Pet foods & supplies

Distributed once a month, this bulletin lists the most recent agribusiness market research, trade leads, and trade events. Go to <http://www.buyusa.gov/eme/agribusiness.html> to view and select the reports of interest to you. The requested information will be sent to you via email.

WORLDWIDE BUSINESS VISA CENTER OPENS JULY 15, 2005

Office of the Spokesman, U.S. Department of State

The Department of State is pleased to announce the latest step in our ongoing effort to better facilitate the issuance of visas for legitimate business travelers worldwide. As of July 15, the U.S.-China Business Initiative, which began as a pilot program in January, will expand into a new Business Visa Center available to assist businesses in the United States and their partners, customers and colleagues around the world.

The Business Visa Center assists American businesses by explaining the visa process when they invite employees or current and prospective business clients and partners to the United States. This involves

providing information to U.S. companies about the application process for visas for those seeking to travel to the U.S. for business purposes. The Business Visa Center will work with both the companies and the consular officers, when needed, to communicate information effectively between U.S. businesses and the embassies and consulates worldwide.

The Bureau of Consular Affairs will continue to maintain the list of "Upcoming Conferences" to be held in the United States on its Intranet. The list is for conferences in the U.S. that expect a large number of foreign visitors where Visa Services has received notification by the U.S. organizer of the event. The list not only provides Consular officers around the world with information on the event, but may also include a list of event participants when one is provided by the event coordinator.

Improved information for businesses and the public, in the form of up-to-date details about wait times for interviews and processing times, is available on most embassy web sites and the travel.state.gov web site. This information allows business travelers to better prepare for their interview and better plan their trip.

Both the Business Visa Center and conference list can be reached via e-mail at: BusinessVisa@state.gov. The phone number is (202) 663-3198.

NEW U.S. COMMERCIAL SERVICE OFFICE OPENS IN DAKAR

A new U.S. commercial service office opened July 19 in Dakar, Senegal. The new office completes a network across Western African that will help U.S. companies get a foothold in 18 emerging markets.

The new office includes a Senior Commercial Officer and two Commercial Service Specialists. They will help U.S. and West African businesses forge new partnerships through business counsel, market research, help in identifying qualified suppliers and assistance in promoting U.S. products and services in West Africa. The office will be linked to over 100 offices in the United States and 50 offices and staff across the African continent. The office will be located in central Dakar and will serve as a regional hub for Cote D'Ivoire, Chad, The Gambia, Mauritania, Benin, Gabon, Mali, Niger, Burkina Faso, Guinea Conakry, Togo, Cameroon, Cape Verde, Sierra Leone, Liberia, Guinea Bissau, and Equatorial Guinea. For more information on doing business in West Africa go to <http://www.buyusa.gov/westafrica/en/>

We hope you've enjoyed this edition of our newsletter. Any mention of non-government sources does not constitute endorsement. If you have any questions or comments, contact us at little.rock.office.box@mail.doc.gov <http://www.buyusa.gov/arkansas>
Phone: 501-324-5794, Fax: 501-324-7380